

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
NOVEMBER 15, 2004**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, November 15, 2004.

The meeting was called to order at 7 PM by Chairman Ken Sendelweck who presided.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Ken Sendelweck – Chairman
Greg A. Krodel – Vice Chairman
Edward J. Kreilein – Secretary
Michael A. Schwenk – Electric Commissioner
Jeffrey S. Theising – Water Commissioner
Mike Harder – Wastewater Commissioner
Dennis L. Hasenour – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Windell Toby – Electric Generation Manager
Thomas A. Lents – Wastewater Manager
Michael A. Oeding – Gas & Water Manager
Kenneth R. Schultz – Business Manager
Sandy Hemmerlein – City Attorney

PLEDGE OF ALLEGIANCE (A-20)

Chairman Ken Sendelweck led the Pledge of Allegiance.

BID OPENING: ASH HAULING & COAL HAULING – POWER PLANT (A-28)

Sandy Hemmerlein stated these were both advertised in the Herald on October 29th and on November 5th.

Windell Toby stated that he requested four bids for each, but only received one.

Hemmerlein opened the bids and read them aloud as follows:

Ash Hauling –

1. Elmer Buchta Trucking \$6.75 per ton

Coal Hauling –

1. Elmer Buchta Trucking \$4.10 per ton

Mike Schwenk made a motion to accept both bids from Elmer Buchta Trucking, providing they meet all specifications, and providing agreeable contract terms can be worked out. Also to approve a 3-year contract effective January 1, 2005 through December 31, 2007, with the rates for 2006 and 2007 increasing by 2% per year from the previous year's rates. Ed Kreilein seconded the motion. Motion approved, 7-0.

Sandy Hemmerlein stated that all prices are subject to existing standard fuel charges.

QUOTE OPENING: CHEMICALS FOR 2005 – GAS & WATER (A-125)

Sandy Hemmerlein opened the chemical quotes and read them aloud. Quotes were received from the following companies.

1. Carus Chemical Co.
2. American International Chemical, Inc.
3. Chemical Resources, Inc.
4. Mississippi Lime
5. Brenntag Mid-South
6. Applied Specialties, Inc.
7. Ulrich Chemical Co.
8. Carmeuse North America
9. C & S Chemical
10. General Chemical Corp.
11. GAC Mid America, Inc.
12. JCI Jones Chemicals
13. USALCO
14. Alexander Chemical
15. SAL Chemical

Mike Oeding stated he would take the chemical quotes under advisement and present a comparison and the results at the December meeting.

Ed Kreilein made a motion for Mike Oeding to take the quotes under advisement and report back at the December meeting. Dennis Hasenour seconded the motion. Motion approved, 7-0.

APPROVAL OF MINUTES (A-357)

Chairman Ken Sendelweck presented the minutes of the October 18, 2004 meeting and there being no corrections or amendments, asked for a motion to accept. Mike Harder made a motion to approve the minutes of the October meeting as presented. Jeff Theising seconded the motion. Motion approved, 7-0.

PUBLIC BUSINESS: VACATION OF PORTION OF PORTERSVILLE ROAD (A-363)

Ken Brosmer, representing B & J Rentals, and Dan & Kim Ackerman, came before the Board to request the vacation of a portion of Portersville Road south of 36th Street, which was platted in Man Acres in 1979.

Brosmer presented a map showing the area.

Brosmer stated there is a sanitary sewer line in the area, and he is asking to vacate a portion of the road, but keep the 40 ft. section as a drainage and utility easement.

Mike Harder made a motion to recommend to the City Council to vacate the portion of Portersville Road as presented. Jeff Theising seconded the motion. Motion approved, 7-0.

2005 CAPITAL EXPENDITURE PLAN – ELECTRIC DISTRIBUTION (A-452)

Jerry Schitter presented his 2005 Capital Expenditure Plan for the Electric Distribution Department.

Chairman Sendelweck stated the 2005 Capital Expenditure Plans should be submitted tonight as a matter of information, with discussion and approval/disapproval to take place at the December meeting. He suggested holding planning committee meetings before the December meeting if there are projects that need to be discussed in more detail.

2005 CAPITAL EXPENDITURE PLAN – ELECTRIC GENERATION (A-470)

Windell Toby presented his 2005 Capital Expenditure Plan for the Electric Generation Department.

STACK EMISSIONS TESTING FOR 2005 (A-473)

Windell Toby informed the Board that stack emissions testing needs to be done in 2005. He explained it is required by IDEM every two years.

Toby asked for Board approval to advertise for bids for the stack emission testing.

Mike Schwenk made a motion to allow Windell Toby to advertise for stack emissions testing bids. Ed Kreilein seconded the motion. Motion approved, 7-0.

TURBINE GENERATOR OVERHAUL (A-480)

Windell Toby informed the Board that the turbine generator overhaul is due to be done beginning April 1st to approximately June 1st. Boiler work will also be done at that time. Toby explained that in the past, they have hired a field engineer from GE for the job, but this year he plans on advertising for a field engineer.

Toby asked for Board approval to advertise for a field engineer for 6 – 8 weeks for the turbine generator overhaul.

Mike Schwenk made a motion to allow Windell Toby to advertise for a field engineer for the turbine generator overhaul. Dennis Hasenour seconded the motion. Motion approved, 7-0.

ELECTRIC PLANNING COMMITTEE REPORT (A-509)

Mike Schwenk, Chairman of the Electric Planning Committee, stated there had not been a meeting to report on.

MIDWESTERN ENGINEERING – NEWTON ST. TANK INSPECTION REPORT (A-513)

Richard Burch of Midwestern Engineering came before the Board to give a brief summary of the Newton St. tank inspection report.

He stated that structurally the tank is in good shape, but there are various repairs that need to be done, ranging from repairing cracks in the foundation, replacing ladders, and adding man ways to address issues pertaining to OSHA. Mr. Burch said there is a total of 12-13 repairs that need to be done for an estimated cost of \$60,000.00.

In addition to the repairs, the tank interior and exterior needs to be blasted and repainted. Mr. Burch said there are two painting systems to consider. The first system offers a 12-13 year life on the paint for an estimated cost of \$250,000.00; however, he recommended an alternate bid of an additional \$25,000.00 for a different paint system that offers a 20-year warranty against the paint chalking, peeling, or blistering.

Mike Oeding presented a picture of the proposed logo for the tank.

Mr. Burch said he has set up 75 days for substantial completion of the project and 90 days for final completion. He recommended starting the project, at the earliest, in mid-March or April 1st.

Sandy Hemmerlein stated since the project will be well over \$150,000.00, a wage determination hearing will be required. She explained a wage determination committee must be formed consisting of five people; one appointed by the Stated Federation of Labor, one appointed by the Governor, one appointed by the County, one appointed by the City Council, and one appointed by the Awarding Agency (Utility Service Board) and the appointee should represent industry.

Sandy Hemmerlein said the tentative date for the wage determination meeting is December 7, 2004.

Jeff Theising recommended and nominated Gerald Miller for the Wage Determination Committee, if he is willing.

Jeff Theising made a motion to nominate Gerald Miller to the Wage Determination Committee, if he is willing. Mike Harder seconded the motion. Motion approved, 7-0.

2005 CAPITAL EXPENDITURE PLAN – GAS & WATER (A-689)

Mike Oeding presented his 2005 Capital Expenditure Plan for the Gas & Water Departments.

UPDATE – STATE ROAD 56 PROJECT (A-690)

Mike Oeding reported that the pit has been ordered. Dubois REC and Verizon are moving cables so the pit can be installed.

Oeding reported that the first two houses west of Precious Blood and south of the highway would hook up on City water and become our customers. Also, Dr. Flannagan's house will be hooked up to City water.

GAS PRICING/HEDGING (A-712)

Mike Oeding presented a graph showing the daily gas price fluctuations. He said the prices are jumping up and down, but the trend is down.

Oeding said Jim Short and Bill Haskins are predicting the price will come down even further.

Oeding explained that crude oil reserves are up and the price has been coming down, which will relax the natural gas prices. Gas storage is at an all-time high.

GAS PLANNING COMMITTEE REPORT (A-744)

Dennis Hasenour, Chairman of the Gas Planning Committee, stated there had not been a meeting to report on.

WATER PLANNING COMMITTEE REPORT (A-745)

Jeff Theising, Chairman of the Water Planning Committee, stated there had not been a meeting to report on.

2005 CAPITAL EXPENDITURE PLAN – WASTEWATER (A-746)

Tom Lents presented his 2005 Capital Expenditure Plan for the Wastewater Department.

WASTEWATER PLANNING COMMITTEE REPORT (A-748)

Mike Harder, Chairman of the Wastewater Planning Committee, stated there had not been a meeting to report on.

2005 CAPITAL EXPENDITURE PLAN – UTILITY BUSINESS OFFICE (A-749)

Ken Schultz presented his 2005 Capital Expenditure Plan for the Utility Business Office.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (A-753)

Ed Kreilein reported the Finance Committee had met and reviewed the claims on the Claim Docket.

Also presented was a claim on behalf of Harrison & Moberly, LLP in the amount of \$17,147.80, representing legal services relating to the Titan liquidated damages issue for the Wastewater Project. SRF and BIF funds have been exhausted, therefore after Utility Service Board approval, the above referenced claims will be paid from Wastewater funds.

Kreilein stated the Finance Committee recommended approval of the claims as presented.

Greg Krodel made a motion to approve the claims as presented. Jeff Theising seconded the motion. Motion approved, 7-0.

There being no further business to come before the Board, the meeting was adjourned at 8:02 PM upon motion by Dennis Hasenour and second by Jeff Theising. Motion approved, 7-0.

Attest: _____
Secretary Chairman